

[37] Unfair cartel case of 5 manufacturers and distributors of metering devices and windshield wiper systems for motor vehicles (resolved on January 16, 2014)

A. Facts of violation

It was found that: (i) 3 businesses, including the Denso Corporation, the Denso Korea Electronics, and the Continental Automotive Electronics, made an arrangement to select a successful bidder from among them for the bidding procedures for metering devices ordered for 21 different models of vehicle by the Hyundai Kia Motors during the period from January 2008 to March 2012; and (ii) 3 businesses, including the Denso Corporation, the Denso Korea Automotive, and the Bosch Electrincal Drives, made an arrangement to select a successful bidder from among them for the 6 bidding procedures in total for windshield wiper systems ordered by the Hyundai Kia Motors during the period from August 2008 to February 2009.

They agreed on bid rigging in order to refrain from competition to win contracts and to secure adequate profitability and put their arrangement on a successful bidder into action in such a manner that the company selected as a successful bidder usually tendered a price higher or lower than the prearranged price of other bidders (sham bidders).

B. Countermeasures taken

The KFTC imposed fine of 114 billion 608 million won in total upon them, along with an order to take corrective remedies, and filed a criminal complaint with the prosecution against the corporations involved in the case by applying the Article 19 (1) 8 (Determination of Successful Bidder, Bidding Price, or Successful Bid Price in Bidding Procedures) of the MRFTA.